

**AGREEMENT FOR OPERATIONAL MANAGEMENT
OF LA LAGUNA RESORT AND BOAT LAUNCH**

THIS AGREEMENT FOR OPERATIONAL MANAGEMENT OF LA LAGUNA RESORT AND BOAT LAUNCH (the "Agreement"), dated for identification purposes as of June 1, 2015, is made by and between the CITY OF LAKE ELSINORE, a municipal corporation (hereinafter referred to as "City") and WILLIAMS BAIT & TACKLE, INC., a California corporation, doing business as William's Bait, Tackle and Boat Rental (hereinafter referred to as "Operator").

RECITALS

This Agreement is made with reference to the following facts which are a substantive part hereof:

A. The Lake Elsinore Recreation Area ("LERA") was established by the State of California for the purpose of making available to the people for their enjoyment the natural, cultural, and recreational values of the largest natural lake in Southern California.

B. The function of the City at the LERA is to manage, protect, and, where necessary, to restore its natural and cultural resources and values for their perpetuation in accordance with the public park and recreational purpose; to interpret these values effectively; and to provide facilities and services, consistent with the purpose of the park, that are necessary for the full enjoyment of the park.

C. The City and Operator wish to set forth the terms and conditions by which the Premises will be maintained and operated.

D. The City Council finds that it is appropriate that this Agreement is entered into to achieve the above stated purposes and to promote the safety and convenience of the general public in the use and enjoyment of, and the enhancement of recreational and park experiences at the Premises, that the Agreement is not being entered into solely for its revenue producing potential, that the proposed operating plan is compatible with the Lake Elsinore Recreation Area General Plan, and that the operating plan will not result in the loss of public park space.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto agree as follows:

I. USE GRANTED

1.1 Operator is hereby authorized to operate and maintain the Premises including authority to (i) rent campsites; (ii) allow the launching of boats and personal water craft onto Lake Elsinore; (iii) sell bait, tackle and boat and water ski parts and accessories; (iv) charge fees for rental of boats including, but not limited to, sailboards (powered and unpowered) and personal water craft vessels; (v) sell prepackaged food and non-alcoholic beverages; and (vi) allow entry by individuals and groups into designated day-use only areas.

1.2 Operator understands and agrees that this Agreement is by license and not lease; confers only permission to occupy and use the Premises described for prescribed purposes in accordance with the terms and conditions hereinafter specified without granted or reserving to Operator any interest or estate therein; the expenditure of capital and/or labor in the course of use and occupancy thereunder shall not confer any interest or estate in the premises by virtue of said use, occupancy and/or expenditure of money thereon; and it is the intention of the parties to limit the right of use granted herein to a personal, revocable and assignable privilege of use in the Premises for the license granted herein.

2. PROPERTY

2.1 The operation shall be conducted on the real property referred to herein as the Premises and commonly known as the La Laguna Resort and Boat Launch as shown in the attached Exhibit "A" attached hereto and incorporated by reference herein.

2.2 The Premises shall be used only and exclusively for purposes authorized herein, and such other purposes as are related thereto provided express approval therefore is granted by the City Manager or his/her designee, and for no other purposes whatsoever.

2.3 Operator acknowledges personal inspection of the Premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect its operations. Operator accepts the Premises in its present physical condition and agrees to make no demands upon City for any improvements or alterations thereof.

2.4 Any improvements, additions, alterations, or changes to the Premises shall be subject to prior approval by the City Manager, and applicable permits shall be secured in compliance with such terms and conditions as may be imposed by the City. Any construction shall be at Operator's expense.

2.5 The temporary trailer/building designated as "William's Bait, Tackle and Boat Rental" (the "General Store") is owned by and is the property of Operator. Improvements, equipment and inventory related to the General Store shall owned by and be the property of the Operator, provided however that and equipment and software related to the campground reservation system shall be the property of and owned by the City and/or its reservation software vendor. Ownership of all other structures, buildings or improvements constructed by Operator upon the Premises and all alterations, additions or betterments thereto, shall become the property of the City without compensation being paid therefor, subject to the rights granted to the Operator hereinabove.

3. TERM

3.1 The Initial Term of this Agreement with respect to the Premises shall commence on the Commencement Date for a period of six (6) months.

3.2 Provided Operator is not then in default under the terms of this Agreement, at the expiration of the Initial Operating Term, the City (acting through its City Manager) and Operator may, upon both party's mutual agreement, extend the term of this Agreement with respect to the Premises for one (1) six (6) month terms, on the same terms and conditions as contained in this Agreement (the "Extension Term").

3.3 In the event the Operator holds over beyond the term herein provided with the consent, expressed or implied of City, such holding shall be from month to month only, subject to the conditions of this Agreement; shall not be a renewal thereof; and shall be at the monthly compensation provided herein.

4. REVENUES AND PAYMENTS

4.1 Campground and Boat Launch Operations Revenues. Operator shall pay and remit to City the Campground and Boat Launch Operations Revenues.

4.2 General Store Concession Fee. In consideration for the use granted herein, Operator shall pay the City a sum equal to four percent (4%) of General Store Gross Receipts.

4.3 La Laguna Operating Fee. In consideration for the Operator's operational responsibilities, City shall pay to Operator the La Laguna Operating Fee.

4.4. Payments to the City of the Campground and Boat Launch Operations Revenues and the General Store Concession Fee shall be made on or before the fifteenth (15th) day of the calendar month following each month of the term of this Agreement, with the first payment to be made no later than July 15, 2015. Payment shall be by check or draft made payable to the City of Lake Elsinore shall be mailed or otherwise delivered to the City of Lake Elsinore, Attention: Director of Administrative Services, 130 South Main Street, Lake Elsinore, California 92530. A late payment charge of two percent (2%) per month shall be added to any late payment received after the last day of the calendar month in which payment is due. However, the late payment charge herein provided may be waived, whenever the City Manager finds the late payment excusable by reason of extenuating circumstances. At no time during the term of this Agreement shall the City be obligated to notify the Operator of the accumulation of late payment charges.

4.5 The La Laguna Operating Fee shall be paid by City to Operator in advance on a biweekly basis during the term of this Agreement and will be based on the Schedule of Fees and Hours set forth in Exhibit "B," which is incorporated herein. The City agrees to pay \$16,000 on or about June 10, 2015, or a Reasonably practical thereafter, for the La Laguna Operating Fee for the weeks of June 1 through June 7 (\$6,717.00) and June 8 through June 14 (\$6,717), provided that a credit in the amount of \$2,566.00 shall be applied to the La Laguna Operating Fee for the week of June 15 through June 22. Payment shall be by check or draft made payable to William Johnson dba William's Bait, Tackle and Boat Rental and shall be mailed or otherwise delivered to Williams Bait & Tackle, Inc., 198 S. Nebraska Street, Lake Elsinore, CA 92530. The payment of the La Laguna Operating Fee shall be withheld in the event that the Operator has failed to make a timely payment of the Campground and Boat Launch Operations Revenues and the General Store Concession Fee as provided in Section 4.4.

5. ACCOUNTING RECORDS

5.1 All sales shall be recorded by means of cash registers which publicly display the amount of each sale and automatically issue a customer's receipt or certify the amount recorded on a sales slip. Said cash registers shall in all cases have locked-in sales totals and transaction counters which are constantly accumulating and which cannot, in either case, be reset. In addition, such cash registers must have a tape located within the register upon which transaction numbers and sales details are imprinted. Beginning and ending cash register readings shall be made a matter of daily records. In the event of a technical or electrical failure of the cash registers, Operator shall record by hand all collections, and issue a sequentially pre-numbered customer receipt in a like manner.

5.2 Operator shall maintain a method of accounting which shall, to the satisfaction of the City Manager, correctly and accurately reflect the gross receipts and disbursements of Operator in connection with the operation. The method of accounting, including bank accounts established for said operation shall be separate from the accounting system used for any other business operated by Operator or for recording Operator's personal financial affairs. Such method shall include the keeping of the following documents:

5.2.1 Regular books of accounting such as general ledgers;

5.2.2 Journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.;

5.2.3 State and federal income tax returns and sales tax returns and checks and other documents providing payment of sums shown which shall be kept in confidence by City;

5.2.4 Cash register tapes (daily tapes may be separated but shall be retained so that from day to day the sales and/or rentals can be identified);

5.2.5 Any other accounting records that the City Manager deems necessary for proper reporting of receipts;

5.3 All documents, books and accounting records shall be open for inspection and re-inspection at any reasonable time during the term of this Agreement and for twelve (12) months thereafter. In addition, the City may from time to time conduct an audit and re-audit of the books and business conducted by Operator and observe the operation of the business so that accuracy of the above records can be confirmed.

5.4 Operator shall furnish the City Manager with a monthly gross receipts report showing the amount payable therefrom to the City. Such a report shall accompany each minimum rent or percentage rent payment required to be made as provided herein. The monthly reporting period shall be by calendar month rather than monthly anniversary date of the effective date of this Agreement. In addition thereto, Operator shall furnish a semi-annual profit and loss statement and a balance sheet prepared by a person and in a form acceptable to the City. The

semi-annual profit and loss statement shall be submitted within sixty (60) days of the close of the Initial Term and Extension Term. Said closing date shall be determined by reference to the date for commencement of the term herein provided.

5.5 In the event that an audit or review conducted by the City's Director of Administrative Services and/or City Manager finds that, due to Operator's non-compliance with its obligation to report gross receipts received in connection with its operations authorized herein, an actual loss and/or a projected loss of revenue to City can be determined, the City Manager may, at his option, (1) bill Operator for said losses, said amount to be paid to City within thirty (30) days following billing therefor unless otherwise specified by City Manager; and/or (2) use the Security deposit as provided for herein; and/or, (3) assess liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Operator to correctly report gross receipts, and a projected loss of revenue due to City. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is Fifty Dollars (\$50.00) per day for each day of the loss period as determined by City for liquidated damages in said amount.

Should the City Manager find that the additional rental payment due to City exceeds two percent (2%) of the total amount which should have been paid as determined by such review or audit and observation, and there being no reasonable basis for the failure to report and pay thereon, Operator shall also pay the cost of the audit as determined by City and pay any penalty heretofore provided for the delinquent payments.

5.6 Operator shall cause all of its sub-operators to comply with these requirements except that a sub-operator shall only be required to establish and maintain those accounting records that the City Manager deems necessary to examine the reported gross receipts in accordance with generally accepted auditing standards.

6. OPERATIONAL RESPONSIBILITIES

6.1 Operator shall conform to and abide by all municipal and City ordinances, and all state and federal laws and regulations, insofar as the same or any of them are applicable; and where permits and/or licenses are required for the operation of the Premises, any related activity and/or any construction authorized herein, the same must be first obtained from the regulatory agency having jurisdiction thereover. In particular, Operator shall require that all boat operators utilizing the Boat Launch to access Lake Elsinore have purchased a City Lake Use Pass. Operator shall pre-purchase Lake Use Passes from the City and shall offer such Lake Use Passes for sale to the public at all time during operation of the Premises. Further, Operator shall conform to and abide by all rules and regulations and policies of the City.

6.2 Operator agrees to exercise every reasonable effort to not allow any loud, boisterous or disorderly persons about the Premises.

6.3 Operator shall not knowingly permit any illegal activities to be conducted upon the Premises.

6.4 Operator shall not post signs upon any City property or improvements thereon unless prior approval therefor is obtained from the City Manager.

6.5 Operator shall use its best efforts to maximize the public use of the Premises and the facilities thereon in accordance with the conditions herein. However, Operator shall not interfere with the public use of the remaining areas of the Lake Elsinore Recreation Area.

6.6 Operator's Staff

6.6.1 Operator shall maintain an adequate and proper staff for its authorized operations based on commercially reasonable budget parameters and Reasonable needs. Operator shall designate one member of the staff as an Operations Manager with whom City may deal on a daily basis. Any person selected by Operator as Operations Manager shall be skilled in the management of businesses similar to the campground/boat launch operations and shall be subject to reasonable approval by the City Manager. The Operations Manager shall devote substantial time and attention to the operation of the Premises and the Campground and render such services and convenience to the public as are required. The Operations Manager shall be fully acquainted with the operations of the Premises, familiar with the terms and conditions prescribed therefore by this Agreement, and authorized to act in the day-to-day operations thereof.

6.6.2 The City Manager may at any time give Operator written notice to the effect that the conduct or action of a designated employee of Operator is, in the reasonable belief of the City Manager, detrimental to the interest of the public patronizing the Premises. Operator shall transfer or reassign any such employee within a reasonable period of time following notice therefor from the City Manager, and such employee shall not be assigned to any other City facility.

6.6.3 Operator warrants that it fully complies with all laws regarding employment of aliens and others, and that all its employees performing services herein meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). Operator shall obtain, from all covered employees performing services herein, all verification and other documentation of employment eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. Operator shall retain such documentation for all covered employees for the period prescribed by law. Operator shall indemnify, defend, and hold harmless, the City, its agents, officers and employees from employer sanctions and any other liability which may be assessed against Operator or City or both in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

6.6.4 Operator shall file with the City Manager a certificate for each member of the food and beverage staff showing that within the last two (2) years, such person has been examined and has been found to be free of communicable tuberculosis. "Certificate" means a document signed by the examining physician and surgeon who is licensed under Chapter 5 (commencing with Section 2000), Division 2 of the California Business and Professions Code, or

a notice from a public health agency or unit of the Tuberculosis Association which indicates freedom from active tuberculosis.

6.7 Minimum Days and Hours of Operation and Fees

6.7.1 The Premises shall operate during all days and hours that the Lake Elsinore Recreation Area is open to the public. Operator shall contact the Director no less than once a month to obtain the upcoming month's days and hours of operation. Any changes in days or hours of operations must receive prior approval of the Director.

6.7.2 The Boat Launch shall operate as follows:

- a. Daily from sunrise to sunset from April 1st to October 31st each year.
- b. Friday, Saturday and Sunday from sunrise to sunset from November 1st to March 31st each year.
- c. Monday through Thursday from sunrise to sunset from November 1st to March 31st each year.
- d. Subject to consent from the City Manager and compliance with the Lake Elsinore Municipal Code, the Operator may operate the Boat Launch after sunset.

6.7.3 The hours of service provided by the Operator are set forth in the Schedule of Fees and Hours, Exhibit "B" attached hereto.

6.8 Prices. Operator shall at all times maintain a complete list or schedule of the prices for all fees, charges, goods, rentals, and services, or combinations thereof, supplied to the public on or from the premises. The City Manager hereby reserves the right to review and approve said fees and charges. Prices shall comply with the requirements under any grant agreement with the Department of Boating & Waterways concerning launch fees and such other prices shall be fair and reasonable based upon the following considerations: that the campground and boat operation is intended to serve the needs of the public for the goods and/or services supplied at a fair and reasonable cost; comparability with prices charged for similar goods and/or services supplied in the Riverside Metropolitan Area; and reasonableness of profit margins in view of the cost of providing same in compliance with the obligations assumed in this Agreement. In the event City notifies Operator that prices being charged are not fair and reasonable, Operator shall have the right to confer with the City Manager and justify the prices. Following reasonable conference and consultation thereon, Operator shall make such price adjustments as may be ordered by the City Manager. Operator may appeal the determination of the City Manager to the City Council, whose decision thereon shall be final and conclusive.

6.9 Quality of Goods and Services. Service to the public, with goods, services, and merchandise of a high quality and at reasonable charges, is of prime concern to the City and is considered a part of the consideration for this Agreement. Therefore, Operator agrees to operate

and conduct its operation in a first-class manner, and comparable to other first-class facilities providing similar activities, programs and services. Where such facilities are provided, Operator shall maintain a high standard of service at least equal to that of similar events and programs conducted on City parks and/or adjacent communities and to those prevailing in such areas for similar products and services, and without discrimination. Operator, following receipt of written notification therefor, shall immediately remove or withdraw from sale of any goods or services which may be found objectionable to the City Manager based on findings that the provision of such goods or services is harmful to the public welfare.

6.10 Utilities. With respect to the Premises, City shall provide and pay for any necessary utilities, including telephone, water and electricity, consumed by Operator in the operation of the Premises. Operator waives any and all claims against City for compensation for loss or damage caused by a defect, deficiency or impairment of any utility system, water system, water supply system, drainage system, waste system, heating or gas system, electrical apparatus or wires serving the Premises. City shall pay for any new connections to the existing utility services necessary for the operation of the Premises, provided, however that Operator shall for any new connection to existing utility services necessary for the operation of the General Store.

6.11 Sanitation. No offensive matter, refuse, or substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Premises and within a distance of fifty (50) feet thereof, and Operator shall prevent any accumulation thereof from occurring. Operator shall furnish all equipment and materials necessary, including trash receptacles of the size, type, color and number required by the City Manager, to maintain the Premises and the area within a distance of fifty (50) feet thereof in a sanitary condition. City shall provide that all refuse is collected no less than once a week by its existing franchise hauler.

6.12 Housekeeping and Maintenance

6.12.1 Housekeeping of Premises. During the term of this Agreement, Operator shall be responsible at its sole cost and expense, for conducting all Housekeeping of the Premises in order to assure that the Premises is in good and substantial condition, and kept in a clean, safe, wholesome and sanitary condition free of trash, garbage, or obstructions of any kind.

6.12.2 Maintenance and Repair of Premises. During the term of this Agreement, City shall be responsible at its sole cost and expense, for conducting all Maintenance and Repair of the Premises in order to assure that the Premises is maintained in a Reasonable good state of repair and preserve the Premises and the improvements thereon are preserved for an Reasonable useful life. Notwithstanding the foregoing, the City shall have no obligation to maintain or repair the General Store nor any equipment owned by Operator (including rentals equipment such as vessels) related to the operation thereof.

6.12.3 Default. Either party may cure the default of the other party hereto with respect to the obligations assumed in this Section 6.12, and upon performance thereof shall acquire a right of reimbursement therefrom for the actual costs of same, including, but not limited to, the cost of labor, materials and equipment furnished in the correction thereof.

provided there is prior mutual agreement between the City Manager and Operator upon the nature and scope of the work to be performed and the costs to be incurred thereby. Any demand of City for reimbursement hereunder shall be satisfied by Licensee through a credit against the monthly La Laguna Operating Fee, commencing with the month next succeeding the date of completion of the Housekeeping performed, and for each and every other month of the remaining term of this Agreement, until a total credit has been provided of the actual costs of cure. Any demand of Licensee for reimbursement hereunder shall be satisfied by City through a credit against the monthly Revenue, commencing with the month next succeeding the date of completion of the Maintenance and Repairs performed, and for each and every other month of the remaining term of this Agreement, until a total credit has been provided of the actual costs of cure. City and Licensee waive all rights to payment on their respective rights to reimbursement for the actual costs of cure of the default of the other with respect to the maintenance obligations assumed herein, except in the manner and amounts heretofore provided.

6.13 Security Devices. City, at its own expense, may provide any legal devices or equipment and the installation thereof, designated for the purpose of protecting the Premises from theft, burglary or vandalism, provided written approval for installation thereof is first obtained from the City Manager.

6.14 Safety. Operator shall immediately correct any unsafe condition of that portion of the Premises designated as the campground and Boat Launch area, as well as any unsafe practices occurring thereon. Operator shall immediately notify City of any unsafe condition at the Boat Launch and correct any unsafe practices occurring thereon. Operator shall obtain emergency medical care for any member of the public who is in need thereof, because of illness or injury occurring on the Premises. Operator shall cooperate fully with City in the investigation of any accidental injury or death occurring on the Premises, including a prompt report thereof to the City Manager. Operator shall cooperate and comply fully with county, state, municipal, federal or any other regulatory agency having jurisdiction thereover, regarding any safety inspections and certifications of any and all Operator's structures, enclosures, vehicles, booths, equipment and rides.

6.15 Trade Fixtures

Operator has provided the General Store and may provide storage containers or other temporary minor structures in connection with for the operation of the vessel rentals and other patron services at Premises. Within the last thirty (30) days preceding the termination of this Agreement, Operator shall remove same from the Premises, other than for those items of personal property which have been furnished by City or so affixed that their removal therefrom cannot be accomplished without damage to the realty. Should Operator fail to so remove said appliances, furniture, fixtures, equipment, door locks and padlocks within said thirty (30) day period, Operator shall lose all right, title and interest in and thereto, and City may elect to keep same upon the Premises or to sell, remove or demolish same. Operator shall reimburse City for any cost as determined by the City Manager incurred in excess of any consideration received from the sale, removal or demolition thereof.

6.16 Merchandise/Food Products. Operator shall provide and maintain an inventory of merchandise required to meet the Reasonable needs of the public therefor. All food and beverages sold or kept for sale by Operator shall conform to the federal, state and county food laws, ordinances and regulations in all respects. No adulterated, misbranded or impure articles shall knowingly be sold or kept for sale by Operator and all merchandise kept on hand by Operator shall be stored and handled with Reasonable regard for safety and sanitation. In the event that the City Manager determines that any merchandise does not meet the requirements of this section, the City Manager shall have the right to order the improvement of the quality of any such items kept or offered for sale. The City Manager shall have the right to prohibit the sale or rental of any item of merchandise on finding(s) that the item is reasonably determined to be of inferior quality and/or that the item is detrimental to the public.

6.17 Equipment/Annual Lake Use Pass. All boats and non-powered personal water craft, hereinafter referred to as equipment, offered for rental shall be of a design and make approved by the City Manager prior to use. Equipment offered for rental must be of a design which will fully comply with any and all safety requirements of the State of California, Department of Boating and Waterways and the United States Coast Guard. Life jackets or floatable safety cushions must also be supplied for all persons utilizing unpowered and powered personal water craft. Said floatation devices must meet acceptable safety standards as determined by the appropriate federal and state agencies. Equipment offered for rent shall be numbered in accordance with applicable regulations established by the Department of Motor Vehicles, State of California. Operator shall provide, at all times that boat rental operation is open to the public, a powered boat which shall be available for use by Operator or his employees for emergency purposes in retrieving rental boats or in patrolling the lake to ascertain that rental boats are complying with all safety regulations. Operator shall include a disclaimer in rental agreement that the City is not responsible to tow rental boats if they run out of gas, mechanical failure or cause an accident.

Each rental vessel shall display a City Commercial Lake Use Pass sticker at all times. The sticker shall be affixed to the vessel within four inches of the vessel's C.F. numbers on the port side. The Commercial Lake Use Pass shall be valid for the calendar year (January 1 through December 31). The Commercial Lake Use Pass stickers for Operator's rental vessels shall be provided to Operator at no cost to Operator in recognition that the General Store Concession Fee is applicable to the rental of vessels by Operator.

6.18 Programmed Events. Operator shall not promote or sponsor private or public events requiring the use of any other areas of the Lake Elsinore Recreation Area other than the Premises unless authorized by the City Manager. However, this provision shall not prohibit Operator from generally advertising or encouraging public use of Lake Elsinore Recreation Area.

6.19 Camping

6.19.1 Except as provided herein, under no circumstances shall a campsite be rented to any individual, entity or organization a period of more fourteen (14) consecutive days in any twenty-one (21) day period.

6.19.2 Exception for Off-season Camping. City and Operator recognize that following the Labor Day weekend and prior to the Memorial Day weekend each year, utilization of the Lake Elsinore Recreation Area is substantially reduced. In order to economize operations at reduced levels and allow for completion of deferred maintenance to restroom facilities, Operator shall be allowed to restrict camping on the Premises to fully self-contained recreational vehicles for long-term camping as determined by Operator. Notwithstanding the foregoing, City and Operator agree that no occupancy of the Premises shall be allowed for a period of six (6) months or more that would result in any person becoming a "resident" of the Premises as that term is defined by Civil Code section 799.31, and as it may be subsequently amended. Moreover, the parties agree that Operator shall conduct its operations as to prevent establishment of a mobile home park on the Premises.

6.20 Advertising and Promotional Materials. Operator shall not promulgate nor cause to be distributed any advertising, or promotional materials unless prior approval thereof is obtained from City Manager. Such approval shall not be unreasonably withheld or delayed and shall be deemed to be given if no objection is made within thirty (30) days following the request for approval. Such materials include, but are not limited to: advertising in newspapers, flyers, newsletters, magazines and trade journals, and radio and/or television commercials.

6.21 Credit Promotional Materials. Operator agrees that any advertising or promotional materials promulgated by Operator shall include the words "Lake Elsinore" as part of the name or identification of the Premises.

7. TRANSFERS

7.1 Operator shall not, without written consent of the City Manager, transfer, assign, sublicense, hypothecate or mortgage this Agreement. Any attempted transfer, assignment, sublicense, hypothecation or mortgage without the written consent of the City Manager shall be null and void, and shall constitute a material breach of this Agreement.

7.2 Each and all of the provisions, agreements, terms, covenants and conditions herein contained to be performed by Operator shall be binding upon any transferee thereof.

7.3 The license shall not be transferable by testamentary disposition or the state laws of intestate succession, as the rights, privileges, and use conferred by this Agreement shall terminate prior to the date for expiration thereof in the event of the death of Operator occurring within the term herein provided. Additionally, neither this Agreement nor any interest therein shall be transferable in proceedings in attachment or execution against Operator, or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against Operator, or by any process or flaw including proceedings under Chapter X or XI of the Bankruptcy Act.

7.4 Shareholders and/or partners of Operator may transfer, sell, exchange, assign or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment or divestment is affected in such a way as to give majority control of Operator to any persons, corporation, partnership or legal entity other than the majority

controlling interest therein at the time of the execution of this Agreement, the City Manager's approval thereof shall be required. Consent to any such transfer shall be refused if the City Manager finds that the transferee is lacking in experience and/or financial ability to operate the Premises.

7.5 The prohibition herein contained shall not be applicable with respect to transfers of this Agreement arising from the exercise of a power of sale or judicial foreclosure pursuant to the terms and conditions of a hypothecation or mortgage previously approved by the City Manager.

7.6 In the event Operator shall request the prior written consent of City Manager to give, assign, transfer or grant control of this Agreement, and City Manager gives written consent to the assignment, a transfer fee equal to two percent (2%) of the Gross Sales Price shall be paid to City. Said sum shall be payable to City in full either within thirty (30) days after said consent is given or prior to the close of any escrow, whichever occurs first. Prior to City Manager's consent to such assignment, the assignor shall first deliver to assignee a written schedule of all sums due and owing to City from the assignor with such schedule in a form subject to the approval of the City Manager in all respects, and second, shall deliver to City Manager, as part of the acceptance of the assignment, a written acknowledgment by the assignee that the assignee (a) affirms the sums due and owing to City and (b) accepts responsibility for payment of such sums directly to City. Exempted from said transfer fee shall be the following:

7.6.1 A transfer of an undivided interest in the license between or among co-workers or affiliated entities which results in a change in method of holding title but does not result in a change to the proportional interests held by the co-owners or affiliated entities prior to the transfer;

7.6.2 An assignment which serves as security for the repayment of a loan from any lender but which does not entitle the assignee to an immediate right to use, occupy, possess or receive the rents or profits from the operation of the Premises for so long as the assignor makes the required periodic payments and complies with other provisions of the loan;

7.6.3 A transfer of title of the license to a lender purchaser at the foreclosure sale under a deed of trust on the property or by assignment to the lender or its nominee in lieu of foreclosure;

7.6.4 Such other assignment for which the City Manager determines that the ownership interests in the license have remained unchanged, such as a change in the legal or fictitious name of the Operator without any other change in the equity, in beneficial use of, or legal title to the license as an asset, or the income produced thereby. The City Manager's decision in such cases shall be appealable to the City Council within ten (10) days after receipt of written notice of the City Manager's decision. Any such appeal request shall be accompanied by a Certificate of Deposit filed with City Manager in the full amount of the transfer fee; the Certificate of Deposit shall be payable to City, and the interest thereon shall accumulate, but the principal sum and interest shall remain the property of Operator in the event the City Manager's decision is reversed.

8. HOLD HARMLESS AND INDEMNIFICATION

8.1 Operator shall defend, indemnify and hold harmless City, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, actual attorney fees incurred by City, court costs, interest, defense costs including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation arising out of or in any way attributable in whole or in part to the performance of this Agreement, except as may be provided in Sections 8.2 and 8.3. "Performance of this Agreement" includes responsibility for water related activities within the Boat Launch area used by invitees or any others. The Boat Launch area is generally that area of the Premises designated for the launching and mooring of any water craft and any improvements on the Premises for such purposes. All obligations under this provision are to be paid by Operator as they are incurred by the City.

8.2 Without affecting the rights of City under any provisions of this Agreement or this section, notwithstanding any other provision contained herein, Operator shall not be required to indemnify and hold harmless City as set forth above for liability attributable to the sole fault of City, provided such sole fault is determined by agreement between the parties or the findings of a court of competent jurisdiction. Injury or death during water activities within the boat launch area is not the fault of City. This exception will apply only in instances where the City is shown to have been at fault to the percentage of the liability of the City. In those instances, the obligation of Operator will be all-inclusive and City will be indemnified for all liability incurred, even though a percentage of the liability is attributable to conduct of the City.

8.3 Without affecting the rights of City under any provisions of this Agreement or this section, notwithstanding any other provision contained herein, Operator shall not be required to indemnify and hold harmless City as set forth above for liability attributable to water related activities occurring at or beyond the actual waterline of Lake Elsinore along the public beach area (such public beach area being a separate area from the boat launch area referenced in Section 8.1) and the main body of Lake Elsinore beyond the public beach and boat launch areas, unless such liability is the sole fault of Operator, provided such sole fault is determined by agreement between the parties or the findings of a court of competent jurisdiction. This exception will apply only in instances where the Operator is shown to have been solely at fault and not in instances where the City is percentage of the liability involved.

8.4 The obligations of Operator under this or any other provision of this Agreement will not be limited by the provisions of any workers' compensation act or similar act. Operator expressly waives its statutory immunity under such statutes or laws as to City, its employees and officials.

8.5 Operator agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub-operator, sub-tier contractor or any other person or entity involved on behalf of Operator in the performance or subject matter of this Agreement. In the event Operator fails to obtain such indemnity

obligations from others as required here, Operator agrees to be fully responsible according to the terms of this section.

8.6 Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City is binding on the successors, assigns, or heirs of Operator and shall survive the termination of this Agreement or this section.

8.7 Without affecting the rights of City under any provisions of this Agreement or this Section 8, Operator has the right, in its sole discretion, to tender the defense for any and all claims under which Operator is obligated to indemnify City to the Operator's insurance carrier under the provisions of this Section 8, including but not limited to, selecting legal counsel.

9. INSURANCE

9.1 Without limiting Operator's indemnification of City, Operator shall provide and maintain at its own expense during the term of this Agreement the hereinafter listed program(s) of insurance covering its operations hereunder. Such insurance shall be provided by an insurer(s) satisfactory to City's Risk Manager and certificates or other evidence of insurance and certified copy(ies) of additional insured endorsement(s) shall be delivered to the City Manager on or before the Commencement Date.

9.2 Operator, at Operator's own cost and expense, shall procure and maintain, for the duration of the Agreement, unless modified by the City's Risk Manager, the following insurance policies:

a. Workers' Compensation Coverage. Operator shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Operator shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Operator for City. In the event that Operator is exempt from Worker's Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California, Operator shall submit to the City a Certificate of Exemption from Workers Compensation Insurance in a form approved by the City Attorney.

b. Commercial General Liability Coverage. Operator shall maintain commercial general liability insurance in an amount not less than two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

Required commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (ed. 11/88) or Insurance Services Office form number GL 0002 (ed. 1/73) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. No endorsement may be attached limiting the coverage.

c. Automobile Liability Coverage. Operator shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Operator arising out of or in connection with the performance of this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than five hundred thousand dollars (\$500,000) combined single limit for each occurrence. Automobile liability coverage must be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 1 ("any auto"). No endorsement may be attached limiting the coverage.

d. Watercraft Liability. In the event that Commercial General Liability Coverage policy provided by Operator pursuant to Section 9.2.b. does excludes coverage for all owned, non-owned, and hired watercraft vehicles, Operator shall maintain separate Watercraft Liability coverage endorsed for all owned, non-owned, and hired watercraft vehicles with a combined single limit of not less than Five Hundred Thousand Dollars (\$500,000) per occurrence.

9.3. Endorsements. Each general commercial liability, automobile liability insurance and watercraft liability policy shall be with insurers possessing a Best's rating of no less than A:VII and shall be endorsed in substantially the following form:

i. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured with respect to liability arising out of work performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

iv. The insurer waives all rights of subrogation against the City, its elected or appointed officers, officials, employees or agents.

v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

vi. The insurance provided by this Policy shall not be suspended, voided,

canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the City.

9.2 Operator's performance under this Agreement shall not commence until Operator has complied with the aforementioned insurance requirements. Operator's operations, whether in whole or in part, shall be subject to suspension by the City Manager during any period that Operator fails to maintain said policies in full force and effect.

9.3 Failure on the part of the Operator to provide or maintain required programs of insurance shall constitute a material breach of contract upon which City may immediately terminate this Agreement.

9.4 No cancellation provision in any insurance policy shall be construed in derogation of the continuous duty of Operator to furnish insurance during the term of this Agreement. At least thirty (30) days prior to the expiration of any such policy, a signed and complete certificate of insurance, with all endorsements required herein, showing that such insurance coverage has been renewed or extended, shall be filed with City Manager.

10. DAMAGE AND DESTRUCTION

10.1 If during the term of this Agreement, the buildings or improvements or such fixtures or equipment, on, below, above or appurtenant to the Premises and/or the Boat Launch at the commencement of the term or thereafter erected, installed or placed thereon or therein shall be destroyed or damaged in whole or in part by fire or any other cause, Operator shall give the City Manager immediate notice thereof. Operator shall immediately secure the area to prevent injury, vandalism, and further damage to persons, improvements, and contents thereof. City and Operator shall meet and confer to reach a mutually agreeable method and cost allocation to promptly restore same to the condition existing immediately prior to such occurrence. If such agreement is not reached in view of the damage sustained and availability of funds with which to rebuild, either party may terminate this Agreement.

11. CONSTRUCTION ACTIVITIES

11.1 In the event City constructs or causes to be constructed new facilities and/or improvements for the licensed operations at the Premises, this Agreement shall continue in full force and effect, except that the payments to be made by Operator shall be abated and/or other relief afforded to the extent that the City Manager may determine the construction interferes with the authorized operations, provided a claim therefor is filed with the City Manager within one hundred (100) days of commencement of construction.

11.2 Operator agrees to cooperate with City in the event the construction affects the Premises by vacating and removing therefrom all items of inventory, trade fixtures, equipment and furnishings for such periods as are required by the construction of the new facilities. Operator further agrees to cooperate in the determination of the abatement and/or other relief to be provided by furnishing all information requested relative to the operation and permitting examination and audit of all accounting records kept in connection with the conduct thereof.

11.3 Following completion of any new facility and or improvement, Operator shall resume its operations therefrom within thirty (30) days of written notice from the City Manager.

11.4 The aforementioned provisions of this section shall also be applicable in the event of performance of work at Lake Elsinore Recreation Area that requires a partial or total closure thereof, except that the abatement and/or other relief to be provided shall be based upon the extent the City Manager may determine that the reduction in the public's use due to the partial or total closure thereof, has affected the Operator's operations.

11.5 Operator agrees to accept the remedy heretofore provided in the event of construction upon the Premises and/or Lake Elsinore Recreation Area and hereby waives any and all additional rights and remedies for relief or compensation that are presently available or may be made available hereafter under the laws and statutes of this state.

12. EASEMENTS AND USE OF BOAT LAUNCH FACILITY

12.1 City reserves the right to establish, grant or utilize easements or rights of way over, under, along and across the Premises for utilities and/or public access provided that City shall exercise such rights in a manner as will avoid any substantial interference with the operations to be conducted hereunder. Should the establishment of such easements permanently deprive Operator of the use of a portion of the licensed operations, an abatement of payments shall be provided in an amount proportional to the total area in the before and after conditions. Operator also agrees to allow the City, the Lake Elsinore Police Department, the Riverside County Sheriff's Department and any other public agency providing public safety to enter onto the Premises and utilize the Boat Launch and parking facilities without charge.

13. TAXES AND ASSESSMENTS

13.1 The property interest conveyed herein may be subject to real property taxation and/or assessment thereon, and in the event thereof, Operator shall pay before delinquency all lawful taxes, including but not limited to possessory interest taxes, assessments, fees or charges which at any time may be levied by the State, County, City or any other tax or assessment-levying body upon the Premises and any improvements located thereon.

13.2 Operator shall also pay all taxes, assessments, fees and charges on goods, merchandise, fixtures, appliances and equipment owned or used therein.

14. NON-DISCRIMINATION

14.1 Operator hereby certifies and agrees that it will comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title XI of the Education Amendments of 1972, where applicable, and Title 43, part 17 of the Code of Federal Regulations Subparts A and B, and the Americans with Disabilities Act of 1990, to the end that no persons shall, on the grounds of race, creed, color, national origin,

political affiliation, marital status, sex, age or disability, be subject to discrimination under the privileges and use granted by this Agreement or under any project, program or activity supported by this Agreement.

14.2 Operator certifies and agrees that all persons employed thereby, are and shall be treated equally without regard to or because of race, creed, color, national origin, sex, age, marital status, or disability, and in compliance with all federal and state laws prohibiting discrimination in employment, including, but not limited to, the Federal Civil Rights Act of 1964, the Unruh Civil Rights Act, the Cartwright Act, and the State Fair Employment Practices Act.

14.3 Operator certifies and agrees that subcontractors, bidders and vendors thereof are and shall be selected without regard to or because of race, creed, color, national origin, sex, age, marital status, or disability.

14.4 All employment records shall be open for inspection and re-inspection at any reasonable time during the term of this Agreement for the purpose of verifying the practice of non-discrimination by Operator in the areas heretofore described.

14.5 If City finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which City may determine to cancel, terminate, or suspend this Agreement. City reserves the right to determine independently that the non-discrimination provisions of this Agreement have been violated. In addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Operator has violated state or federal non-discrimination laws or regulations shall constitute a finding by City that Operator has violated the non-discrimination provisions of this Agreement.

14.6 The parties agree that in the event Operator violates the non-discrimination provisions contained herein, City shall, at its option, be entitled to a sum of Two Hundred Dollars (\$200) pursuant to California Civil Code 1671 as liquidated damages in lieu of canceling, terminating or suspending this Agreement. Operator further agrees that Two Hundred Dollars (\$200) is a reasonable sum under all of the circumstance existing at the time of the execution of this Agreement.

15. ARBITRATION

15.1 Any controversy arising under paragraph 4.2 of Section 4 - (Payment); and paragraph 6.8 - (Prices) of Section 6 - (Operating Responsibilities) shall be submitted to arbitration by a single arbitrator under the Commercial Arbitration Rules of the American Arbitration Association, as the rules now exist or may be subsequently amended, except as hereinafter modified; the locale for the arbitration shall be within the County of Riverside; the sole issue(s) for determination shall be the specific issue(s) submitted; and the expenses subject to assessment by the arbitrator shall be borne equally by the parties.

15.1.1 The sole issue for determination of a controversy submitted under paragraph 4.2 shall be the fair rental value for this Agreement based upon a consideration of the factors specified in said paragraph.

15.1.2 The sole issue for determination of a controversy submitted under paragraph 6.8 shall be the price(s) charged for the good(s) or service(s) in dispute based upon a consideration of the factors specified in said paragraph.

15.2 City and Operator acknowledge and agree that paragraph 15.1 constitutes an enforceable agreement to submit the controversy to arbitration under the enforcement provisions of the California Arbitration Act, as the law now exists or may be subsequently amended.

16. RESERVED

17. CANCELLATION

17.1 This Agreement may be terminated without cause by either party upon sixty (60) days written notice to the other party.

17.2 Upon the occurrence of any one or more of the events of default hereinafter described, this Agreement shall be subject to cancellation. As a condition precedent thereto, the City Manager shall give Operator ten (10) days notice by registered or certified mail of the date set for cancellation thereof; the grounds therefore; and that an opportunity to be heard thereon will be afforded on or before said date, if request is made therefor.

17.3 Upon cancellation, City shall have the right to take possession of the Premises and the Campground, including all improvements, equipment, and inventory located thereon, and use same for the purpose of satisfying and/or mitigating all damages arising from a breach of this Agreement.

17.4 Action by City to effectuate a cancellation and forfeiture of possession shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Agreement.

17.5 Any trustee, beneficiary, mortgagee or lender (hereinafter "Lender") under a hypothecation or mortgage previously approved by the City Manager shall have the right at any time during the term of this Agreement to undertake any and all action that may be required in order to prevent a cancellation of this Agreement and a forfeiture of the license. Accordingly, the City Manager shall send a copy of any intended cancellation of this Agreement to any such Lender whose security would be affected thereby, provided that such Lender shall have previously registered with the City Manager by written notice specifying the name and address of said Lender; and upon request thereof for postponement, extend the date set therefor by such time as the City Manager finds reasonable in order to allow said parties to correct the grounds therefor or to provide a new Operator under a power of sale or foreclosure contained in the hypothecation or mortgage, who upon transfer thereto shall become responsible for the correction thereof within such time as may be allowed by the City Manager.

18. EVENTS OF DEFAULT

The following shall constitute an event of default under this Agreement:

18.1 The unauthorized abandonment, vacation or discontinuance of operations for more than twenty-four (24) consecutive hours.

18.2 The failure of Operator to punctually pay or make the payments required herein when due, where the delinquency continues beyond ten (10) days following written notice for payment thereof.

18.3 The failure of Operator to operate in the manner required by this Agreement, where such failure continues for more than ten (10) days after written notice from the City Manager to correct the condition.

18.4 The failure to maintain the Premises and the improvements constructed thereon in the state of repair required herein, and in a clean, sanitary, safe and satisfactory condition, where such failure continues for more than ten (10) days after written notice from the City Manager to correct the condition.

18.5 The failure of Operator to keep, perform and observe all of the other promises, covenants, conditions and agreements set forth in this Agreement, where such failure continues for more than thirty (30) days after written notice from the City Manager for correction thereof, provided that where fulfillment of such obligation requires activity over a period of time and Operator shall have commenced to perform whatever may be required to cure the particular default within ten (10) days after such notice and continues such performance diligently, said time limit may be waived in the manner and to the extent allowed by the City Manager.

18.6 The filing of a voluntary petition in bankruptcy by Operator; the adjudication of Operator as a bankrupt; the appointment of any receiver of Operator's assets; the making of a general assignment for the benefit of creditors, a petition or answer seeking an arrangement for the reorganization of Operator under any Federal Reorganization Act, including petitions or answers under Chapter XI of the Bankruptcy Act; the occurrence of any act which operates to deprive Operator permanently of the rights, powers and privileges necessary for the proper conduct and operation of the Premises, the levy of any attachment or execution which substantially interferes with Operator's operations under this Agreement and which attachment or execution is not vacated, dismissed, stayed or set aside within a period of sixty (60) days.

18.7 Determination by the City, the California Fair Employment and Housing Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by Operator in violation of state and/or federal laws thereon.

18.8 Failure of Operator to keep, perform and observe all other promises, covenants, conditions and agreements set forth herein.

19. IMPROPER CONSIDERATION

City may, by written notice to Operator, immediately terminate the right of Operator to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Operator, either directly or through an intermediary, to any City officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Operator's performance pursuant to the Agreement in the event of such termination. City shall be entitled to pursue the same remedies against Operator as it could pursue in the event of default by the Operator. Operator shall immediately report any attempt by a City officer or employee to solicit such improper consideration. The report shall be made to the City Manager.

20. TERMINATION UPON TRANSFER OF TITLE OR PARK CLOSURE

20.1 Notwithstanding any other provision of this Agreement, in the event the City transfers its interest in the Lake Elsinore Recreation Area (including the Premises) to a governmental agency (assignee), the City reserves the right to: terminate this Agreement; or provided there is a consent by an assignee, assign the City's interest in this Agreement to said assignee. City shall provide the Operator with notice of termination or assignment of this Agreement pursuant to this provision.

20.2 Notwithstanding any other provision of this Agreement, in the event the City closes the Lake Elsinore Recreation Area, this Agreement shall be terminated upon the effective date of such closure. Upon the effective date of park closure, Operator shall immediately cease its operations, and within fifteen (15) days thereafter remove all items of its personal property, equipment, and inventory. City shall provide advance notice to the Operator of such park closure.

21. OPERATOR'S NON-COMPLIANCE AND LIQUIDATED DAMAGES

21.1 In the event the City Manager determines that there are deficiencies in Operator's operations authorized and required herein, the City Manager will provide, as specified herein in the section of this Agreement entitled Events of Default, a written notice to the Operator to correct said deficiencies within specified time frames.

21.2 In the event that Operator fails to correct the deficiencies within the prescribed time frames the City Manager may, at his/her option: (1) exercise its rights under the Section hereinafter entitled Right of Entry and/or (2) assess liquidated damages. The parties agree that it would be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Operator to comply with the obligations for operations herein authorized and required. The parties hereby agree that under the current circumstances a reasonable estimate of such damage is \$250.00 per day for each day of the period of time that the deficiencies exist, and that Operator shall be liable to City for liquidated damages in said amount.

22. PUBLIC RECORDS ACT

22.1 Any documents submitted by Operator; all information obtained in connection with the City's right to audit and inspect Operator's documents, books, and accounting records pursuant to Section 5.3 (Accounting Records) of this Agreement become the exclusive property of the City. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 *et seq.* (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The City shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order of court of competent jurisdiction.

22.2 In the event the City is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Operator agrees to defend and indemnify the City from all costs and expenses, including reasonable attorneys' fees, in any action or liability arising under the Public Records Act.

23. WAIVER

23.1 Any waiver by City of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of City to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Agreement or estopping City from enforcing the full provisions thereof.

23.2 No delay, failure, or omission of City to re-enter the Premises, or to exercise any right, power, privilege or option, arising from any default, nor any subsequent acceptance of payments then or thereafter accrued shall impair any such right, power, privilege or option, or be construed as a waiver of or acquiescence in such default or as a relinquishment of any right.

23.3 No notice to Operator shall be required to restore or revive "time of the essence" after the waiver by City of any default.

23.4 No option, right, power, remedy or privilege of City shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given City by this Agreement shall be cumulative.

24. SURRENDER

24.1 Upon expiration of the term hereof, or cancellation thereof as herein provided, Operator shall peaceably vacate the Premises and any and all improvements located thereon and deliver up the same to City in a reasonably good condition, ordinary wear and tear excepted,

subject to the right of City to demand removal thereof to the extent that Section 2.6 hereinbefore may be applicable thereto.

24.2 Upon expiration of the term, Operator shall execute and deliver to City within thirty (30) days after service of written demand, a good and sufficient quitclaim deed of the Operator's interest in this Agreement and the Premises. Should Operator fail or refuse to deliver to City a quitclaim deed as aforesaid, a written notice by City reciting the failure of the Operator to execute and deliver the quitclaim deed shall, after ten (10) days from the date of recordation of the notice, be conclusive evidence against Operator and all persons claiming under Operator, of the termination of this Agreement.

25. DEFINITIONS AND INTERPRETATION

25.1 The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:

"Boat launch" means the boat launch at the La Laguna Resort.

"Campground and Boat Launch Operations Revenues" means Revenues collected by the Operator related to the campground and boat launch operations (and excluding General Store Gross Receipts).

"City" means the City of Lake Elsinore, a municipal corporation.

"City Manager" means the City Manager of the City of Lake Elsinore or his/her designee.

"Commencement Date" means June 1, 2015.

"Designated Holidays" means Memorial Day, July 4th (unless July 4th falls on a Saturday in which case Friday, July 3rd shall be treated as a Designated Holiday, or unless July 4th falls on a Sunday in which case July 5th shall be treated as a Designated Holiday), and Labor Day.

"General Store" means the temporary building located at the Premises in which Operator sells various merchandise including food, beverages, recreation supplies along with recreational rentals, including boats, kayaks and other watercraft.

"General Store Gross Receipts" means Gross Receipts generated from the operating the General Store (which includes rental of boats, kayaks and other watercraft).

"Gross Receipts" means:

a. The term "gross receipts" as used in this Agreement, is defined to be all money, cash receipts, assets, property or other things of value, including but not limited to gross charges, sales, rentals, fees and commissions made or earned by Operator and/or all the assignees, sub-operators, permittees or concessionaires thereof, whether collected or accrued

from any business, use or occupation, or any combination thereof, originating, transacted or performed in whole or in part, at the General Store, including but not limited to boat rentals, recreational equipment rental, the rendering or supplying of services and the sale of goods, wares or merchandise.

b. There shall be no deduction from gross receipts for any overhead or cost or expense of operations, such as, but without limitation to salaries, wages, costs of goods, interest, debt amortization, credit, collection costs, discount from credit card operations, insurance and taxes. Bona fide bad debts actually incurred by Operator or its sub-operators, assignees, concessionaires and permittees may be deducted from gross receipts. There shall, however, be no deduction for bad debts based on past experience or transfers to a bad debt reserve. Subsequent collection of bad debts previously not reported as gross receipts shall be included in gross receipts at the time they are collected.

c. Gross receipts reported by Operator and its sub-operators, assignees, Operators, concessionaires and permittees, must include the full usual charges for any services, goods, rentals or facilities provided by Operator or its sub-operators, assignees, concessionaires or permittees. Gross receipts shall not include direct taxes imposed upon the consumer and collected therefrom by Operator such as, but not limited to, retail sales taxes, excise taxes, or related direct taxes, which are direct taxes paid periodically by Operator to a governmental agency accompanied by a tax return statement and, further, shall not include the sale or resale of City Lake Use Passes purchased from the City.

d. The City Manager, consistent with recognized and accepted business and accounting practices may further interpret the term "gross receipts" as used in this Agreement.

"Gross Sales Price" means the total consideration resulting from the transfer of Operator's interest in the operations of the Premises, or portion thereof, determined by the total cash payments and the market value of all non-cash consideration, including, but not limited to, stocks, bonds, deferred payments, secured and unsecured notes, and forbearances regarding claims and judgments.

"Housekeeping" means activities relating to keeping the Premises clean, neat, orderly and includes but not limited to, cleaning of public restrooms and showers (excluding supplies which shall be provided by City), trash pickup and consolidating garbage into centralized dumpsters, use of minor to medium equipment for clean-up (such as use of a small tractor to remove rubbish in the yard area), campsite preparation, irrigating and sprinkler repairs, minor repairs/replacement to campground equipment (picnic tables, grills and fire rings), pest inspection and control, landscape mowing and edging, shrub trimming and non-recurring removal of hanging tree limbs, raking, sweeping, vacuuming, wiping, washing, hosing, and other general care and cleaning of interior and exterior floors, walls, ceilings, doors, windows, facility fixtures, and all adjacent grounds and walks.

"La Laguna Operating Fee" means the weekly fee paid by the City to Operator for the reasonable cost incurred by Operator related to Operator's operational responsibilities exclusive

of the General Store, as set forth in Exhibit "B", for the Initial Term and the Extension Term (if exercised).

"Maintenance and Repairs" means all repairs and preservation work that is necessary to maintain the Premises in a Reasonable good state of repair, including: fire clearance around premises; tree trimming and removal; repair of broken doors, windows, plumbing and electrical fixtures, major repairs/replacement of campground equipment (picnic tables, grills and fire rings), and windows, vandalism, painting, sewer lines, asphalt patching, water lines or valves, roofing, fences, septic tanks, public restroom and shower supplies, and such other maintenance that is not Housekeeping.

"Operational Year" means each one-year period of time which commences on June 1 and ends on May 31 throughout the Initial Term and the Extension Term, if exercised, of this Agreement.

"Operator" means Williams Bait & Tackle, Inc., a California corporation, dba William's Bait, Tackle and Boat Rental.

"Premises" means the real property described in the attached Exhibit "A."

"Reasonable" and variations thereof means what is commercially reasonable under reasonably anticipated circumstances.

"Revenues" means:

a. The term "revenues" as used in this Agreement, is defined to be all money, cash receipts, assets, property or other things of value, including but not limited to gross charges, sales, rentals, fees and collected by Operator and/or all the assignees, sub-operators, permittees or concessionaires thereof, related to the recreational use of the Premises by the public, including but not limited to, boat launch fees, Lake Day Use Passes, premises entry/parking fees for beach/day-use area patron, campground reservation deposits and rental fees, campsite related charges, storage fees, any other access/use fees, and all other City imposed fees and charges.

b. Operator may deduct from revenues Lake Day Use Passes and any other required acquired access passes purchased in advance from the City. There shall be no deduction from revenues for any overhead or cost or expense of operations, such as, but without limitation to salaries, wages, costs of goods, interest, debt amortization, credit, collection costs, discount from credit card operations, insurance and taxes.

c. Revenues reported by Operator and its sub-operators, assignees, Operators, concessionaires and permittees, must include the full usual charges for any services, goods, rentals or facilities provided by Operator or its sub-operators, assignees, concessionaires or permittees. Revenues shall not include direct taxes imposed upon the consumer and collected therefrom by Operator such as, but not limited to, retail sales taxes, excise taxes, or related direct taxes, which are direct taxes paid periodically by Operator to a governmental agency

accompanied by a tax return statement and, further, shall not include the sale or resale of City Lake Use Passes purchased from the City.

d. The City Manager, consistent with recognized and accepted business and accounting practices may further interpret the term “revenues” as used in this Agreement.

“Sub-operators” means any lease, license, permit, concession or other interest in the Premises which is granted by Operator to a third party.

25.2 This Agreement shall be interpreted according to the rules which govern the interpretation of contracts, as prescribed in Part 2 of Division 3 of the California Civil Code, commencing with Section 1635.

25.3 The headings herein contained are for convenience and reference only and are not intended to define or limit the scope of any provision thereof.

26. RIGHT OF ENTRY

26.1 Any officers and/or authorized employees of the City may enter upon the Premises at any and all reasonable times for the purpose of determining whether or not Operator is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the City. Additionally, City has the right to use the Boat Launch during non-operating hours for special events, such as boat parades, at no cost to the City or the public.

26.2 In the event of an unauthorized abandonment, vacation or discontinuance of operations for a period in excess of twenty-four (24) hours, Operator hereby irrevocably appoints City as an agent for continuing operation of the license granted herein, and in connection therewith authorizes the officers and employees thereof to (1) take possession of the such licensed area, including all improvements, equipment and inventory thereon; (2) remove any and all persons or property on said area and place any such property in storage for the account of and at the expense of Operator; (3) sublease or sublicense the Premises; and (4) after payment of all expenses of such subleasing or sublicensing, apply all payments realized therefrom to the satisfaction and/or mitigation of all damages arising from Operator’s breach of this Agreement. Entry by the officers and employees of City upon any licensed area for the purpose of exercising the authority conferred hereon as agent of Operator shall be without prejudice to the exercise of any other rights provided herein or by law to remedy a breach of this Agreement.

26.3 No re-entry or taking of the any licensed area by City pursuant to paragraph 30.2 of this section shall be construed as an election to terminate this Agreement unless a written notice of such intention be given to Operator or unless the termination thereof be decreed by a court of competent jurisdiction.

27. INDEPENDENT CONTRACTOR

This Agreement is by and between the City of Lake Elsinore and Operator and is not intended and shall not be construed to create the relationship of agent, servant, employee,

partnership, joint venture or association, as between City and Operator. Operator understands and agrees that all persons furnishing services on behalf of Operator pursuant to this Agreement are, for purposes of Worker's Compensation Liability, employees solely of Operator and not of City. Operator shall bear the sole responsibility and liability for furnishing Workers' Compensation benefits to any person for injuries arising from or connected with services on behalf of Operator pursuant to this Agreement.

28. CONTRACT ENFORCEMENT AND AMENDMENTS TO THE AGREEMENT

28.1 The City Manager shall be responsible for the enforcement of this Agreement on behalf of City and shall be assisted therein by those officers and employees of City having duties in connection with the administration thereof.

28.2 This document may be modified only by further written agreement between the parties. Any such modification shall not be effective unless and until executed by Operator and in the case of City, until approved by the City Manager.

29. CITY'S QUALITY ASSURANCE PLAN

The City or its agent will evaluate Licensor's performance under this Agreement at such reasonable intervals as determined by City. Such evaluation will include assessing Operator's compliance with all contract terms and performance standards. Operator deficiencies which City determines are severe or continuing and that may place performance of the agreement in jeopardy if not corrected will be reported to the City Council. The report will include improvement/corrective action measures taken by the City and Operator. If improvement does not occur consistent with the corrective action measures, City may terminate this Agreement or impose other penalties as specified in this Agreement.

30. NOTICES

Any notice required to be given under the terms of this Agreement or any law applicable thereto may be: (1) delivered by personal service; or (2) placed in a sealed envelope, with postage paid, return receipt requested, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub-post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Operator shall be 198 S. Nebraska Street, Lake Elsinore, CA 92530 or such other place as may hereafter be designated in writing to the City Manager by Operator. The address to be used for any notice served by mail upon the City shall be City of Lake Elsinore, Attention: City Manager, 130 South Main Street, Lake Elsinore, CA 92530, or such other place as may hereafter be designated in writing to Operator by the City Manager. Service by mail shall be deemed complete upon deposit in the above mentioned manner.

32. SEVERABILITY

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall not be affected thereby and shall remain in full force and effect.

33. ENTIRE AGREEMENT

Accordingly, the Agreement and the Exhibit(s) attached hereto, constitute the entire agreement between City and Operator for the uses granted herein. All other agreements, promises and representations with respect thereto, other than contained herein, are expressly revoked, as it has been the intention of the parties to provide for a complete integration within the provisions of this document, and the Exhibit(s) attached hereto, the terms, conditions, promises and covenants relating to the operation of the Premises and to be used in the conduct thereof. The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions thereof unenforceable, invalid or illegal.

34. AUTHORIZATION WARRANTY

Operator represents and warrants that the signatory to this Agreement is fully authorized to obligate Operator hereunder and that all corporate acts necessary to the completion of this Agreement have been accomplished.

IN WITNESS WHEREOF, the parties have executed this Agreement on the respective dates set forth below.

WILLIAMS BAIT & TACKLE, INC., a California corporation, doing business as WILLIAMS BAIT, TACKLE AND BOAT RENTAL

DATED: 7/1, 2015

By: 
William Johnson, President

CITY OF LAKE ELSINORE, a municipal corporation

DATED: 6/29, 2015

by: 
Grant Yates, City Manager

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

EXHIBIT "A"

PREMISES MAP



EXHIBIT "B"

SCHEDULE OF FEES AND HOURS

During the months of June through October the following services will be provided from the hours of 6:00 am until 8:00 p.m.:

Management services		
Weekly Supervision of Gatehouse and Grounds Staff	35	hrs
Grounds and Gatehouse Staff	210	hrs
Weekly Billing	\$6,717.00	

During the months of November through March the following services will be provided from the hours of 7:00 a.m. until 5:00 p.m.:

Management services		
Weekly Supervision of Gatehouse and Grounds Staff	30	hrs
Grounds and Gatehouse Staff	110	hrs
Weekly Billing	\$3,657.00	

During the months of April and May the following services will be provided 7:00 a.m. until 6:00 p.m.:

Management services		
Weekly Supervision of Gatehouse and Grounds Staff	35	hrs
Grounds and Gatehouse Staff	120	hrs
Weekly Billing	\$3,733.00	

Billing rate is subject to change based on applicable changes to federal, state and local employment laws.

Increased hours of service will be available on written request from the City of Lake Elsinore. Increased fees will be based upon a percentage of additional hours of service.

Week or Weekly means Monday through Sunday.

COMMERCIAL CERTIFICATE OF INSURANCE

Issue Date (MM/DD/YYYY)

04/16/2015

AGENCY ROBERT DAPPER INS AGENCY

Name 17632 IRVINE BLVD #100
&
Address TUSTIN, CA 92780
Bus # 657-600-8106 Fax#714-876-1449

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies shown below.

COMPANIES PROVIDING INSURANCE

COMPANY
LETTER

COMPANY
LETTER

A: Scottsdale Insurance Company

COMPANY
LETTER

COMPANY
LETTER

INSURED William Johnson
Name DBA Williams Bait and Tackle and Boat Rentals
&
32040 Riverside Drive
Address Lake Elsinore, CA 92530

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LIN.	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	POLICY LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> - OCCURRENCE VERSION <input type="checkbox"/> CONTRACTUAL - INCIDENTAL ONLY <input type="checkbox"/> OWNERS & CONTRACTORS PRO T.	CPS2215870	04/10/2015	04/10/2016	GENERAL AGGREGATE \$ 2,000,000 PRODUCTS-COMP/OPS AGGREGATE \$ 2,000,000 PERSONAL & ADVERTISING INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 100,000 MEDICAL EXPENSE (Any one person) \$ 5,000
—	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ALL OWNED COMMERCIAL AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY				COMBINED SINGLE LIMIT \$ BODILY INJURY (PER PERSON) \$ BODILY INJURY (PER ACCIDENT) \$ PROPERTY DAMAGE \$ GARAGE AGGREGATE \$
—	<input type="checkbox"/> UMBRELLA LIABILITY				LIMIT \$
—	<input type="checkbox"/> WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY EACH ACCIDENT \$ DISEASE-EACH EMPLOYEE \$ DISEASE POLICY LIMIT \$

DESCRIPTION OF OPERATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS: Fishing boats and tackle rentals and bait supplies. Pyramid Enterprises Inc. is included as additional insured for the facility located at 32040 Riverside Dr. Lake Elsinore, CA 92530

CERTIFICATE HOLDER

Name Pyramid Enterprises Inc.
&
28368 Constellation Rd. #380
Address Valencia, CA 91355
Ph: (661) 702-1420 Fax: (661) 702-0314

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



AUTO | HOME

Date: June 17, 2015

Dear Christina & William,

Please see the enclosed form(s) from Liberty Mutual.

- Certificate of Automobile Insurance (Binder)

Thank you for insuring with Liberty Mutual. We look forward to providing you with quality coverage and outstanding service.

Sincerely,

Liberty Mutual



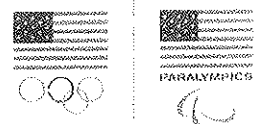
ACTION REQUIRED:

Please review and keep
with your insurance
documents.



CONTACT US

For questions, please
call us at
1-800-225-8285.



© 2015 Liberty Mutual Insurance Company



CERTIFICATE OF AUTOMOBILE INSURANCE

THIS IS TO CERTIFY THAT the named insured is, at the date of this certificate, insured by the company with respect to the automobiles hereinafter described for the types of insurance and respective coverages hereinafter designated by entry of the limits of liability or a statement that the coverage is in effect and in accordance with the provisions of the Automobile Policy in use by said company.

This Certificate of Insurance neither affirmatively nor negatively amends, extends or alters the coverage afforded by the policy.

INSURED'S NAME AND ADDRESS

Christina Johnson
William Johnson
198 S Nebraska St
Lake Elsinore, CA 92530-1853

FOR LIEN HOLDER INQUIRIES, CALL OR WRITE

1-800-409-0733
P O BOX 29017
PHOENIX, AZ 85038

DESCRIPTION OF THE INSURANCE FOR WHICH THIS CERTIFICATE IS ISSUED

Policy Number: AO2-268-113374-70 Effective Date: 04/03/2015 Expiration Date: 04/03/2016

	PART A	PART B	PART D — DAMAGE TO YOUR AUTO COVERAGE		
COVERAGES:	LIABILITY COVERAGE	MEDICAL PAYMENTS COVERAGE	COVERAGE FOR LOSS CAUSED BY COLLISION INCLUDED	DEDUCTIBLE AMOUNT APPLICABLE TO EACH LOSS IN DOLLARS	
				Loss Caused by Collision	Loss Other Than Loss Caused by Collision
Limits of Liability	250/500/100	1000	Yes	"ACV" indicates Actual Cash Value ACV Less \$500 Deductible	"ACV" indicates Actual Cash Value ACV Less \$500 Deductible
* Includes Medical Expense	Accidental Death Benefit: \$		Protection Against Uninsured Motorists Coverage — Limit Selected: \$250/500		
POLICY INCLUDES: <input type="checkbox"/> BASIC NO FAULT COVERAGE <input type="checkbox"/> OPTIONAL NO FAULT COVERAGE					

DESCRIPTION OF AUTOMOBILES

Year of Model	Trade Name	Body Type	Identification or Serial Number
2009	DODG	PKP4X24D	1D3HB18KX9S807739

ADDITIONAL INTEREST

Such insurance as is afforded under the Liability Coverage of the policy shall also apply, with respect to covered autos, to each interest hereinafter named, as an insured; but such inclusion of additional interest or interests shall not operate to increase the limit of the company's liability.

NAME AND ADDRESS:

The insurance described herein is in effect on the date of this certificate and shall remain in force until canceled in accordance with the terms of the policy.

Loss PAYEE and ADDRESS

Schools First Federal Credit Union
PO Box 11547
Santa Ana CA 92711-1547

Secretary

President

Dated: 06/17/2015 at: 12:34 AM

COUNTERSIGNED
AUTHORIZED REPRESENTATIVE

LOSS PAYEE

Such insurance as is afforded by the policy for loss of or damage to the automobile is payable, as interest may appear, to the named insured and the Loss Payee indicated on the previous page in accordance with the terms of the Loss Payable Clause.

Term of Loan: From: 01/20/2013 To: 01/19/2016

LOSS PAYABLE CLAUSE

Loss or damage, under this policy, shall be paid as interest may appear to you and the loss payee shown on the front of this certificate. This insurance covering the interest of the loss payee shall not become invalid because of your fraudulent acts or omissions, unless the loss results from your conversion, secretion or embezzlement of **your covered auto**. However, we reserve the right to cancel the policy as permitted by policy terms, and the cancellation shall terminate this agreement as to the loss payee's interest. We will give the same advance notice of cancellation to the loss payee as we give to the named insured shown in the declarations.

When we pay the loss payee, we shall, to the extent of payment, be subrogated to the loss payee's rights of recovery.

NOTICE TO OTHERS IF CANCELLATION OCCURS

"We" will not cancel "Your" Policy or reduce the insurance under any of its coverages until at least 10 days after we have mailed a written notice of such cancellation or reduction to the person(s) named as additional interest on reverse side.

AS1019 (ed 12-89)



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/25/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Strachota Insurance Agency, Inc. - Temec
27710 Jefferson Ave., Ste. 100
Temecula CA 92590

CONTACT
NAME:
PHONE
(A/C, No. Ext): (951) 676-2229 FAX
(A/C, No.): (951) 676-7391
E-MAIL
ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: State Compensation Insurance F	35076
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
William's Bate & Tackle, Inc.
32040 Riverside Drive
Lake Elsinore CA 92530

COVERAGES

CERTIFICATE NUMBER: Cert ID 2721

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
	GENL AGGREGATE LIMIT APPLIES PER						GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$
	OTHER						\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB	<input type="checkbox"/> OCCUR					EACH OCCURRENCE \$
	EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$
	DED <input type="checkbox"/> RETENTION \$						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			400295978	6/26/2015	6/26/2016	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input type="checkbox"/> N	N/A				E L EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E L DISEASE - EA EMPLOYEE \$ 1,000,000
							E L DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
RE: Camp Ground Facility Maintenance Operations.

CERTIFICATE HOLDER

CANCELLATION

Evidence of Coverage

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/25/2015

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IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Strachota Insurance Agency, Inc. - Temec
27710 Jefferson Ave., Ste. 100

Temecula CA 92590

CONTACT
NAME:
PHONE (A/C, No, Ext): (951) 676-2229 FAX (A/C, No): (951) 676-7391
E-MAIL:
ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	State Compensation Insurance F	35076
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
William's Bate & Tackle, Inc.

32040 Riverside Drive

Lake Elsinore CA 92530

COVERAGES

CERTIFICATE NUMBER: Cert ID 2721

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

EXCLUSIONS AND CONDITIONS OF COVERAGE				POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
INSR LTR	TYPE OF INSURANCE		ADDL INSD	SUBR WVD	POLICY NUMBER		
	COMMERCIAL GENERAL LIABILITY						
	<input type="checkbox"/>	CLAIMS-MADE <input type="checkbox"/> OCCUR					EACH OCCURRENCE \$
	<input type="checkbox"/>						DAMAGE TO RENTED PREMISES (EA occurrence) \$
	<input type="checkbox"/>						MED EXP (Any one person) \$
	<input type="checkbox"/>						PERSONAL & ADV INJURY \$
	<input type="checkbox"/>						GENERAL AGGREGATE \$
	<input type="checkbox"/>	GEN'L AGGREGATE LIMIT APPLIES PER					PRODUCTS - COMP/PROP AGG \$
	<input type="checkbox"/>	POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					\$
	<input type="checkbox"/>	OTHER					
	AUTOMOBILE LIABILITY						
	<input type="checkbox"/>	ANY AUTO					COMBINED SINGLE LIMIT (EA accident) \$
	<input type="checkbox"/>	ALL OWNED AUTOS	<input type="checkbox"/>	SCHEDULED AUTOS			BODILY INJURY (Per person) \$
	<input type="checkbox"/>	HIRED AUTOS	<input type="checkbox"/>	NON-OWNED AUTOS			BODILY INJURY (Per accident) \$
	<input type="checkbox"/>		<input type="checkbox"/>				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/>		<input type="checkbox"/>				\$
	<input type="checkbox"/>	UMBRELLA LIAB	<input type="checkbox"/>	OCCUR			EACH OCCURRENCE \$
	<input type="checkbox"/>	EXCESS LIAB	<input type="checkbox"/>	CLAIMS-MADE			AGGREGATE \$
	<input type="checkbox"/>	DED	<input type="checkbox"/>	RETENTION \$			\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				400295978	6/26/2015	6/26/2016
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)		Y/N <input type="checkbox"/>	N/A			
	If yes, describe under DESCRIPTION OF OPERATIONS below						

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
RE: Camp Ground Facility Maintenance Operations.

CERTIFICATE HOLDER**CANCELLATION**

Evidence of Coverage

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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COMMERCIAL CERTIFICATE OF INSURANCE

Issue Date (MM/DD/YYYY)

07/01/2015

AGENCY ROBERT DAPPER INSURANCE AGENCY

Name 17632 IRVINE BLVD #100
&
Address TUSTIN, CA 92780
Bus # 657-600-8106 Fax#714-876-1449

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies shown below.

COMPANIES PROVIDING INSURANCE

COMPANY
LETTER

COMPANY
LETTER

COMPANY
LETTER

COMPANY
LETTER

A: Scottsdale Insurance Company

INSURED William Johnson
Name DBA Williams Bait and Tackle and Boat Rentals
&
32040 Riverside Drive
Address Lake Elsinore, CA 92530

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR.	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	POLICY LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> - OCCURRENCE VERSION <input type="checkbox"/> CONTRACTUAL - INCIDENTAL ONLY <input type="checkbox"/> OWNERS & CONTRACTORS PRO T.	CPS2215870	04/10/2015	04/10/2016	GENERAL AGGREGATE \$ 2,000,000 PRODUCTS-COMP/OPS AGGREGATE \$ 2,000,000 PERSONAL & ADVERTISING INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 100,000 MEDICAL EXPENSE (Any one person) \$ 5,000
---	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ALL OWNED COMMERCIAL AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY				COMBINED SINGLE LIMIT \$ BODILY INJURY (PER PERSON) \$ BODILY INJURY (PER ACCIDENT) \$ PROPERTY DAMAGE \$ GARAGE AGGREGATE \$
---	<input type="checkbox"/> UMBRELLA LIABILITY				LIMIT \$
---	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY EACH ACCIDENT \$ DISEASE-EACH EMPLOYEE \$ DISEASE POLICY LIMIT \$

DESCRIPTION OF OPERATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS: Fishing boats and tackle rentals and bait supplies. City of Lake Elsinore is included as additional insured for the facility located at 32040 Riverside Dr. Lake Elsinore, CA 92530

CERTIFICATE HOLDER

Name City of Lake Elsinore
&
130 South Main Street
Address Lake Elsinore, CA 92530
Ph: (951) 674-3124

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designation Of Premises (Part Leased To You): 32040 RIVERSIDE DRIVE LAKE ELSINORE, CA 92532
Name Of Person(s) Or Organization(s) (Additional Insured): CITY OF LAKE ELSINORE 130 SOUTH MAIN STREET LAKE ELSINORE, CA 92530
Additional Premium: \$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.